DECEMBER 10, 1979

ONE DOLLAR FIFTY CENTS

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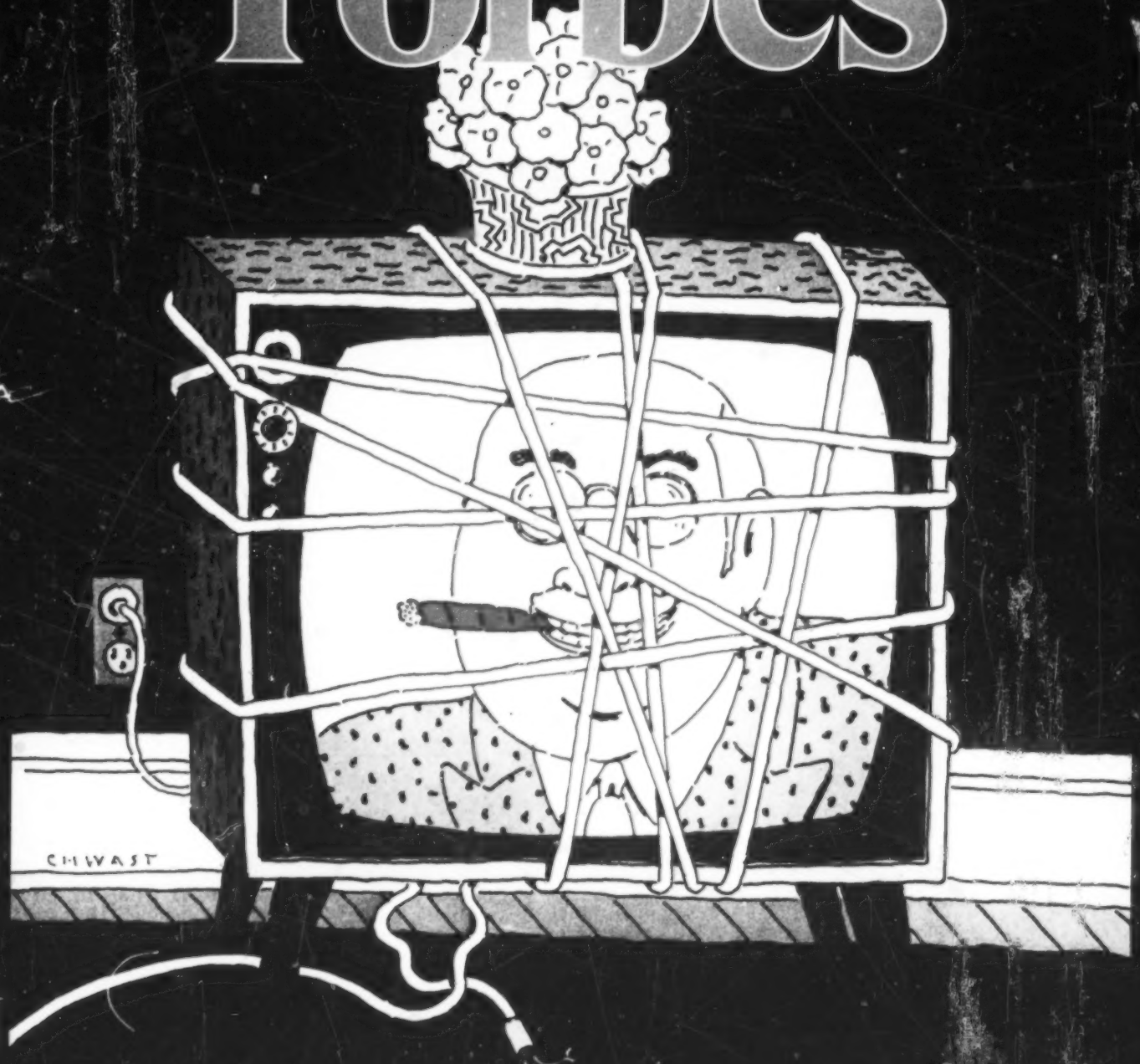

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WHEN WILL THE PRICE BE RIGHT?

It's neither dice nor numerology, but an easy way of identifying some interesting stocks.

Statistical Spotlight

Norman Weinger's triple sixes

IF YOU ROLL TWO SIXES in craps you're out of the game, but the stock market isn't quite the same as a crap game. So says Oppenheimer & Co.'s Norman Weinger, who thinks that if you can roll three sixes in a row you've got a stock that's worth buying. Using his own computer screen Weinger has come up with 138 stocks (listed on the NYSE, Amex and o-t-c markets) that meet his criteria.

Here's how Weinger, a certified public accountant turned financial analyst, defines his triple sixes:

1) A yield over 6%. This is comfortably above the 5.4% yield on the Standard & Poor's 400 industrials. His 138 issues average 8%. If the yield is less than 6%, off the list you go even if you meet the other two criteria.

2) A price/earnings multiple of 6 or less, again comfortably below that for the S&P's 400 industrials, which currently sells at 7.7 times trailing 12-month earnings. Weinger's list *averages* a P/E of 4.4.

3) A stock price that does not exceed 60% of book value. Compare this with the 117% ratio on the S&P's.

Weinger believes that his three-way approach to stock value offers strong protection to the investor. Look at it this way: His average stock yields 8%, sells at a P/E of 4.4 and at about half book value. That means it is producing a handsome yield, covered nearly three times over by earnings. Its earnings yield—the reciprocal of the P/E—is about 23%, which is comfortably above the inflation rate. And that big discount from book value means that you are buying a share in solid assets at a throwaway price. Each of these stocks is cheap, not just in one or two ways but by three measurements.

The doomsayers urge investors to buy collectibles—old baseball cards, Norman Rockwell lithographs, even yesterday's junk masquerading as antiques. Says Weinger: "At present prices these stocks on my triple-six list are the real bargain-priced collectibles."—*Robert J. Flaherty and Maria Latorraca*

Magic sixes?

While the overall stock market is cheap historically, these stocks screened by Oppenheimer & Co.'s computers appear cheaper still. Each one has a price/earnings ratio under 6, yields over 6% and sells for under 60% of book value.

Company	Current yield	Indicated dividend	Price/ earnings ratio	Latest 12-months EPS	Recent price	52-week price range	Book value*	Price to book	Debt/ equity†
American Fletcher	7.1%	$1.24	4.4	$3.92	17⅜	19 –16¾	$31.13	.56	22%
Ameron	7.4	1.20	4.4	3.66	16⅛	21 –15½	36.34	.44	63
Anchor Hocking	8.1	1.20	4.9	3.01	14⅞	21 –14⅛	26.36	.56	32
Armstrong Rubber	6.8	1.20	4.0	4.46	17¾	25⅞–17⅛	69.48	.26	70
Arvin Industries	9.2	1.12	4.4	2.78	12⅛	16½–11	22.70	.53	70
Atlanta Gas Light	10.2	1.44	5.0	2.81	14⅛	17⅛–13¾	24.44	.58	134
Atlantic Bancorp	6.1	0.80	4.7	2.78	13⅛	15 –11¼	24.52	.54	28
BancOhio	7.5	1.40	4.8	3.93	18¾	22½–18¼	36.39	.52	2
Bank of Virginia	8.8	1.16	4.1	3.22	13⅛	16 –12⅝	26.41	.50	82
Bankers Trust New York	8.4	3.30	4.6	8.62	39¼	48⅛–32⅞	70.33	.56	48
BayBanks	8.0	2.50	4.4	7.17	31⅜	34¾–28	54.78	.57	13
Berkline	9.3	0.50	4.2	1.27	5⅜	7⅜– 5⅜	12.60	.45	24
Blessings	6.8	0.54	3.8	2.12	8	9 – 6⅞	13.78	.58	49
Boston Edison	12.0	2.44	5.8	3.51	20¼	24¾–19⅞	38.49	.53	140
Brunswick	6.9	0.80	5.2	2.25	11⅝	15⅝–10⅞	21.88	.53	60
Burlington Industries	9.3	1.40	5.5	2.73	15⅛	18½–15	37.61	.40	43
Capitol Food Industries	6.7	0.20	5.1	0.59	3	5 – 2⅞	8.11	.38	47
CBT	9.2	2.20	4.1	5.92	24	29¼–22½	45.67	.53	45
Ceco	6.5	0.75	3.4	3.43	11½	17⅜–10⅞	30.17	.38	28
Central Soya	7.5	0.84	5.0	2.23	11¼	14⅜–11	19.25	.58	44

*Latest annual report plus earnings minus dividends to date. †Long-term debt/common equity.
Source: Standard & Poor's Compustat Service.

Magic sizes?

Company	Current yield	Indicated dividend	Price/ earnings ratio	Latest 12-months EPS	Recent price	52-week price range	Book value*	Price to book	Debt/ equity†
Contran	9.3%	$2.16	3.7	$6.29	23⅛	28½–22½	$44.60	.52	45%
Champion Products	6.5	1.00	4.6	3.34	15½	17¾–14	28.08	.55	42
Chemical New York	8.8	3.16	4.1	8.76	36	44¾–34	71.94	.50	58
City Investing	6.8	1.20	3.6	4.96	17¾	22 –13	37.85	.47	154
Cluett Peabody	6.8	0.60	4.9	1.80	8⅞	12½– 8⅜	21.57	.41	31
Collins & Aikman	9.3	0.72	4.4	1.77	7¾	10⅞– 7⅜	15.18	.51	12
Columbus Mills	8.0	0.32	3.0	1.33	4	7⅜– 3⅞	10.76	.38	27
Consolidated Edison of NY	11.1	2.44	5.1	4.29	22	25 –21	43.57	.50	106
Cook Industries	6.8	0.40	5.8	1.01	5⅞	8⅛– 5¼	10.47	.56	75
Cooper Tire & Rubber	7.8	0.80	3.7	2.79	10¼	17 –10⅛	27.59	.37	56
Craddock-Terry Shoe	6.9	0.66	4.9	1.93	9½	12⅝– 7⅜	19.25	.49	37
Crompton & Knowles	6.9	1.04	5.1	2.96	15	18¼–12⅝	26.13	.57	66
CrownAmerica	11.4	0.50	4.5	0.97	4⅜	6¾– 4	9.89	.44	23
Cummins Engine	6.3	1.80	4.1	6.98	28¼	39⅛–27⅞	55.57	.52	31
Danly Machine	8.8	1.80	3.3	6.15	20½	24¼–16½	37.02	.55	44
Dibrell Bros	7.3	1.00	4.4	3.11	13¾	16¼–13	25.16	.55	19
Donovan Cos	11.0	0.96	5.8	1.51	8¾	11¼– 7½	19.76	.44	73
Douglas & Lomason	6.2	0.60	3.5	2.74	9⅝	12¼– 9½	26.74	.36	33
Equimark	10.2	0.96	5.3	1.77	9⅜	11½– 9	28.71	.33	39
Firestone Tire & Rubber	6.9	0.60	5.1	1.70	8¾	13⅞– 8½	24.94	.35	49
First & Merchants	8.1	1.60	4.5	4.44	19⅞	23 –17¼	36.66	.54	43
First Atlanta	7.7	0.88	4.6	2.47	11⅜	14½–10¾	21.94	.52	52
First Chicago	7.9	1.20	4.6	3.31	15⅛	19⅞–14⅜	29.51	.51	28
First National Bancorp	6.5	1.08	4.2	3.94	16½	20¾–16	27.53	.60	27
First National Boston	7.7	2.20	4.4	6.48	28⅝	33½–25	51.49	.56	71
First National State Bancorp	10.8	2.20	4.7	4.29	20⅛	25¼–20⅛	36.91	.55	28
First Union Bancorp	8.1	2.20	4.5	5.97	27	30 –25¼	47.39	.57	13
Foodarama Supermarkets	10.0	0.50	3.7	1.35	5	7⅞– 4½	16.19	.31	16
Ford Motor	11.0	4.00	3.3	10.90	36½	45⅛–36	87.97	.41	12
GAF	7.2	0.68	4.6	2.06	9½	13¼– 9¼	27.00	.35	54
Gamble-Skogmo	6.5	1.50	4.3	5.35	23⅛	33⅛–22¼	56.39	.41	193
General Public Utilities	13.3	1.00	3.9	1.90	7½	18⅞– 7¼	22.61	.33	148
General Tire & Rubber	7.5	1.50	4.8	4.13	20	27 –19	42.55	.47	28
Girard	8.0	1.88	3.9	6.02	23⅜	28 –19¼	41.19	.57	41
BF Goodrich	7.7	1.44	3.6	5.22	18¾	24 –16⅛	54.29	.35	56
Greater Jersey Bancorp	8.7	1.00	4.2	2.75	11½	13¼–10⅞	25.36	.46	69
Hammermill Paper	7.9	1.50	4.7	4.06	19	24⅞–18	36.48	.52	69
Hannaford Bros	8.0	0.88	4.3	2.53	11	15⅝–10½	18.42	.60	158
Harris Bankcorp	8.0	2.00	4.9	5.06	25	34¼–23¼	48.61	.51	17
Hart Schaffner & Marx	8.4	0.88	4.5	2.32	10½	15⅜–10	24.80	.42	27
Hartford National	9.3	1.40	4.4	3.42	15	17⅞–14⅛	29.89	.50	47
Huntington Bancshares	6.6	1.76	3.9	6.92	26¼	35 –26	47.96	.56	19
IC Industries	7.4	1.84	5.0	5.00	24⅞	30⅞–22⅛	63.55	.39	115
Inland Steel	9.3	2.80	4.0	7.42	30	40⅜–29¼	62.74	.48	52
Interlake	9.0	2.20	4.2	5.81	24½	29½–21⅛	47.56	.52	44
International Harvester	6.8	2.50	3.8	9.63	36¾	45½–32	66.10	.56	51
International Tel & Tel	8.6	2.20	5.3	4.79	25½	30⅞–24¼	43.21	.59	61
Irving Bank	7.4	2.44	4.4	7.57	33	38½–28½	57.41	.57	37
Johns-Manville	8.3	1.92	4.9	4.77	23¼	27¾–21⅞	39.15	.59	55
Kahler	6.7	1.50	5.6	3.99	22½	22½–19	38.30	.59	35
Key Banks	10.0	1.20	4.0	3.00	12	14⅜–11	24.29	.49	37
Key Co	6.5	0.30	4.1	1.14	4⅝	6⅝– 3⅞	8.95	.52	56
Leslie Fay	7.2	0.48	4.1	1.60	6⅝	9 – 6⅜	11.81	.56	25
Libbey-Owens-Ford	9.6	2.35	4.5	5.42	24½	28⅞–23	41.90	.58	21
Lincoln First Banks	9.4	2.00	3.6	5.92	21⅜	28½–20¼	50.99	.42	65
Long Island Lighting	12.8	1.78	5.6	2.46	13⅞	18¼–13⅜	63.75	.22	139
Magic Chef	8.1	0.60	4.1	1.78	7⅜	11⅜– 7⅛	14.86	.50	67
Manufacturers National	8.8	2.20	3.7	6.73	24⅞	29 –23½	46.71	.53	23
Marine	6.3	1.68	4.4	6.12	26⅞	29½–24¼	48.45	.55	25
Methode Electronics	7.6	0.40	3.9	1.33	5¼	7⅜– 4⅜	9.75	.54	49

*Latest annual report plus earnings minus dividends to date †Long-term debt/common equity
Source: Standard & Poor's Compustat Service

Magic sizes?

Company	Current yield	Indicated dividend	Price/ earnings ratio	Latest 12-months EPS	Recent price	52-week price range	Book value*	Price to book	Debt/ equity†
J Michaels	7.2%	$0.36	5.3	$0.95	5	5⅛– 4	$14.08	.36	13%
Michigan National	6.7	1.20	3.8	4.75	18	25½–17½	30.73	.59	42
Midlantic Banks	8.5	2.16	3.5	7.31	25½	30⅛–23	51.57	.49	32
Morton Shoe	6.7	0.32	3.7	1.28	4¾	7 – 4½	12.58	.38	95
National Standard	8.9	1.24	5.1	2.70	13⅞	17⅞–13¼	26.38	.53	25
National Steel	8.9	2.60	3.9	7.43	29¼	35½–27½	71.71	.41	52
New England Merchants	8.5	1.64	3.6	5.38	19¼	24⅛–18¾	36.27	.53	63
Norfolk & Western Railway	8.1	1.92	4.2	5.67	23¾	28⅞–21⅝	42.74	.56	48
Norlin	8.8	1.60	3.8	4.82	18¼	25¾–17¾	50.12	.36	71
Northern Trust	6.6	2.20	5.1	6.47	33⅛	41¼–32¼	57.02	.58	23
Northwestern States Port Cement	7.9	1.80	4.0	5.63	22¾	31 –21¼	40.69	.56	24
Opelika Manufacturing	8.0	0.84	4.4	2.40	10½	13¼– 9½	24.34	.43	49
Oriole Homes	6.8	0.65	3.2	3.02	9⅝	14 – 7½	17.41	.55	68
Outboard Marine	6.4	0.70	5.4	2.00	10⅞	19⅜–10⅜	32.97	.33	46
Owens-Illinois	6.7	1.26	4.3	4.39	18⅞	22⅞–17⅛	40.85	.46	62
Oxford Industries	6.7	0.68	4.6	2.21	10⅛	12¼– 8⅞	23.13	.44	29
Philadelphia National	8.3	2.40	3.9	7.43	29	33⅜–27	52.79	.55	47
Philips Industries	6.4	0.32	4.0	1.25	5	6½– 4⅛	8.76	.57	56
Philips NV	6.8	0.74	5.2	2.10	10⅞	13 –10½	32.32	.34	40
Pneumatic Scale	6.2	1.00	6.0	2.71	16⅛	26⅛–15¾	27.58	.59	6
Pratt&Lambert	9.5	1.10	5.6	2.09	11⅝	14⅜–10⅜	22.15	.52	17
Provident National	8.5	2.10	4.9	5.00	24⅜	30 –22	45.36	.54	15
Raybestos-Manhattan	7.0	1.60	5.5	4.19	22⅞	37 –21⅜	50.05	.46	45
Realex	6.7	0.48	4.4	1.63	7⅛	9 – 6¼	13.98	.51	4
Reece	7.5	0.60	5.6	1.44	8	10¼– 7⅛	15.34	.52	14
Republic Steel	9.9	2.55	2.8	9.28	25¾	31 –22⅛	92.55	.28	32
Reynolds Metals	7.1	2.20	3.5	8.93	31	39⅜–28⅜	59.13	.52	88
Riegel Textile	9.4	1.60	4.8	3.55	17	18¾–15¼	36.66	.46	38
Robertshaw Controls	7.7	1.30	5.9	2.86	16⅞	22¼–16⅛	29.08	.58	40
Roper	8.7	0.90	5.4	1.93	10⅜	11⅞– 9⅜	18.71	.55	65
Russ Togs	10.1	0.88	5.0	1.75	8¾	11⅛– 8¾	15.28	.57	22
Seaboard Coast Line Industries	8.3	2.20	3.3	8.10	26⅝	32⅜–24½	88.68	.30	91
Seligman & Latz	13.5	1.20	5.7	1.55	8⅞	14 – 8	17.10	.52	29
Shawmut	7.4	2.40	4.2	7.70	32½	39 –28½	81.23	.40	23
Sheller-Globe	8.8	0.70	3.1	2.58	8	11⅜– 7⅜	24.89	.32	55
AO Smith	8.5	1.40	2.8	5.88	16⅜	22¼–16⅜	44.80	.37	19
Society	6.6	1.20	3.7	4.93	18⅛	21½–16¼	32.35	.56	36
Southern Pacific	7.7	2.40	4.8	6.56	31¼	37⅜–25	75.80	.41	54
Sperry & Hutchinson	6.8	1.00	4.3	3.40	14⅜	18 –12⅜	26.00	.56	17
Springs Mills	7.6	1.20	4.0	3.98	15¾	18⅜–14	37.74	.42	19
Standard Products	7.8	1.52	5.3	3.69	19⅜	26⅛–19¼	34.35	.56	43
State Street Boston	7.8	1.80	3.7	6.21	23	26¾–20	55.74	.41	37
Sterchi Brothers Stores	6.7	0.68	4.5	2.26	10⅛	11¼– 8¾	17.08	.59	33
JP Stevens	8.6	1.20	4.1	3.38	13⅞	15¾–13	39.31	.35	55
Stop & Shop Cos	7.9	1.20	3.8	4.01	15¼	20⅛–14⅛	29.51	.52	153
Strawbridge&Clothier	6.0	1.40	4.0	5.84	23¼	29 –22½	56.24	.41	71
Sun City Industries	6.7	0.25	5.5	0.68	3¾	5½– 3⅜	7.60	.49	45
Torin	6.1	0.80	4.7	2.77	13½	17⅜–10⅜	27.50	.48	20
Tri-State Motor Transit	8.9	0.80	3.6	2.49	9	9½– 7	19.16	.47	34
United Jersey Banks	10.3	1.04	4.2	2.43	10⅛	12¾– 9½	20.02	.51	31
US Industries	8.4	0.76	4.9	1.85	9	10½– 7¼	19.93	.45	24
US Steel	8.5	1.60	4.4	4.25	18⅞	26⅛–18¾	63.26	.30	42
Victory Markets	6.7	0.20	4.3	0.70	3	4⅛– 2⅜	7.69	.40	105
Village Super Market	7.3	0.60	5.2	1.60	8¼	8¼– 6	18.05	.46	79
West Point-Pepperell	9.3	2.80	5.3	5.66	30¼	37½–27¼	62.30	.49	44
Whitaker Cable	8.2	0.40	4.8	1.01	4⅞	7½– 4⅜	10.75	.46	84
Wickes	7.4	1.04	4.2	3.31	14	17¼–12½	24.37	.57	107
Woodstream	7.5	0.60	4.4	1.82	8	14½– 7⅝	13.96	58	47

*Latest annual report plus earnings minus dividends to date. †Long-term debt/common equity.
Source: Standard & Poor's Compustat Service.